



4830-01-P

DEPARTMENT OF THE TREASURY

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Multiple IRS Information Collection Requests

AGENCY: Departmental Offices, U.S. Department of the Treasury.

ACTION: Notice.

SUMMARY: The Department of the Treasury will submit the following information collection requests to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. The public is invited to submit comments on these requests.

DATES: Comments should be received on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be assured of consideration.

ADDRESSES: Send comments regarding the burden estimate, or any other aspect of the information collection, including suggestions for reducing the burden, to (1) Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for Treasury, New Executive Office Building, Room 10235, Washington, DC 20503, or e-mail at OIRA_Submission@OMB.EOP.gov and (2) Treasury PRA Clearance Officer, 1750 Pennsylvania Ave. NW., Suite 8100, Washington, DC 20220, or email at PRA@treasury.gov.

FOR FURTHER INFORMATION CONTACT: Copies of the submissions may be obtained from Jennifer Quintana by e-mailing PRA@treasury.gov, calling (202) 622-0489, or viewing the entire information collection request at www.reginfo.gov.

SUPPLEMENTARY INFORMATION:

Internal Revenue Service (IRS)

1. Title: Return of U.S. Persons With Respect to Certain Foreign Partnerships.

OMB Control Number: 1545-1668.

Type of Review: Revision of a currently approved collection.

Description: The Taxpayer Relief Act of 1997 significantly modified the information reporting requirements with respect to foreign partnerships. The Act made the following three changes (1) expanded section 6038B to require U.S. persons transferring property to foreign partnerships in certain transactions to report those transfers; (2) expanded section 6038 to require certain U.S. Partners of controlled foreign partnerships to report information about the partnerships; and (3) modified the reporting required under section 6046A with respect to acquisitions and dispositions of foreign partnership interests.

Form 8838-P is used to extend the statute of limitations for U.S. persons who transfers appreciated property to partnerships with foreign partners related to the transferor. The form is filed when the transferor makes a gain recognition agreement. This agreement allows the transferor to defer the payment of tax on the transfer. The IRS uses Form 8838-P so that it may assess tax against the transferor after the expiration of the original statute of limitations.

Form: 8865 Schedules G, H, K-1, O & P; 8838-P.

Affected Public: Businesses or other for-profits, Individuals and households.

Estimated Number of Respondents: 34,450.

Frequency of Response: Annually.

Estimated Total Number of Annual Responses: 34,450.

Estimated Time per Response: 8.18 hours.

Estimated Total Annual Burden Hours: 281,974.

2. *Title:* Employer Credit for Paid Family and Medical Leave.

OMB Control Number: 1545-XXXX.

Type of Review: New collection.

Description: The law establishes a credit for employers that provide paid family and medical leave to employees. This is a general business credit employers may claim, based on wages paid to qualifying employees while they are on family and medical leave, subject to certain conditions. The credit is for wages paid beginning after December 31, 2017 and it is not available for wages paid beginning after December 31, 2019, Supporting documentation is attached.

Form: 8994.

Affected Public: Individuals and households.

Estimated Number of Respondents: 660,000.

Frequency of Response: Annually.

Estimated Total Number of Annual Responses: 660,000.

Estimated Time per Response: 1.94 hours.

Estimated Total Annual Burden Hours: 1,280,400.

3. *Title:* Form 461 - Limitation on Business Losses.

OMB Control Number: 1545-XXXX.

Type of Review: New collection.

Description: Form 461 and its separate instructions calculates the limitation on business losses, and the excess business losses that will be treated as net operating loss (NOL) carried forward to subsequent taxable years. In the case of a partnership or S corporation, the provision applies at the partner or shareholder level. This form will be used by noncorporate taxpayers and will be attached to a tax return (F1040, 1040NR, 1041, 1041-QFT, 1041-N, or 990-T).

Form: 461.

Affected Public: Businesses or other for-profits.

Estimated Number of Respondents: 2,909,026.

Frequency of Response: Annually.

Estimated Total Number of Annual Responses: 2,909,026.

Estimated Time per Response: 23 minutes.

Estimated Total Annual Burden Hours: 1,105,430.

4. *Title:* Information Reporting for Certain Life Insurance Contract Transactions.

OMB Control Number: 1545-XXXX.

Type of Review: New collection.

Description: The collection covers the new information reporting requirements for certain life insurance contracts under new IRC 6050Y, which was added by the Tax Cuts and Jobs Act (TCJA). The new reporting requirements apply to reportable death benefits paid and reportable policy sales made after Dec. 31, 2017. On April 26, 2018, the Internal Revenue Service provided transitional guidance delaying any reporting under IRC 6050Y until final regulations are issued. The transitional guidance provides taxpayers additional time to satisfy any reporting obligations arising prior to publication of final regulations.

Form: 1099-SB, 1099-LS.

Affected Public: Businesses or other for-profits.

Estimated Number of Respondents: 6,000.

Frequency of Response: Annually, On occasion.

Estimated Total Number of Annual Responses: 6,000.

Estimated Time per Response: 7 minutes.

Estimated Total Annual Burden Hours: 720.

5. *Title:* Transitional Guidance Under Sections 162(f) and 6050X with Respect To Certain Fines, Penalties, and Other Amounts.

OMB Control Number: 1545-XXXX.

Type of Review: New collection.

Description: The collection covers the new information reporting requirements under IRC 162(f) and new 6050X, which was added by the Tax Cuts and Jobs Act (TCJA).

Generally, no deduction is allowed for any amount paid to, or at the direction of, a government or specified nongovernmental entity for the violation of any law. The general rule does not apply to the following exceptions:

- Amounts that constitute restitution (including remediation of property);
- Amounts paid to come into compliance with the law;
- Amounts paid or incurred as the result of certain court orders in which no government or specified nongovernmental agency is a party; and
- Amounts paid or incurred for taxes due.

To be deductible under an exception, the Taxpayer must establish that an amount required to be paid is for restitution, remediation or to come into compliance with the law, AND the amount must be specifically identified in the settlement agreement or court order as restitution, remediation or to come into compliance with the law.

Any amount paid or incurred as reimbursement to the Government for the costs of any investigation or litigation are not deductible under one of the exceptions (under prior law, these amounts were often considered compensatory and deductible).

The 2017 Tax Cuts and Jobs Act also enacted IRC section 6050X, which requires government agencies or specified nongovernmental regulatory entities to file an information return which identifies:

1. The amount required to be paid as a result of the suit or agreement to which IRC section 162(f)(1) applies;
2. Any amount required to be paid as a result of the suit or agreement that constitutes restitution or remediation of property; and
3. Any amount required to be paid as a result of the suit or agreement for the purpose of coming into compliance with any law that was violated or involved in the investigation or inquiry.

This reporting requirement will not be required with respect to amounts paid or incurred under a binding court order or agreement entered into before the date provided in the future proposed regulations, which will be no earlier than January 1, 2019.

Notice 2018-23 provides information for section 6050X and transitional guidance under IRC § 162(f).

Form: 1098-F.

Affected Public: Businesses or other for-profits.

Estimated Number of Respondents: 200.

Frequency of Response: Annually, On occasion.

Estimated Total Number of Annual Responses: 200.

Estimated Time per Response: 7 minutes.

Estimated Total Annual Burden Hours: 24.

Authority: 44 U.S.C. 3501 et seq.

Dated: December 6, 2018.

Spencer W. Clark,

Treasury PRA Clearance Officer.

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